



January 31, 2023

Green Mountain Care Board
144 State Street
Montpelier, VT 05602

Net Patient Revenue was less than 1% under budget for FY22. While there was a shift in payor mix resulting in a reduction of revenue by 2.8M this was offset in the increase utilization of ambulatory services and outpatient ancillary. The primary driver in the positive variance of Bad Debt/Charity Care was due to charity care. BMH continues to experience a decline in Free Care applications.

NPR/FPP	Total	% over/under
FY 22 Approved Budget	\$ 93,088,223	
Utilization	1,431,619	
Reimbursement/Payer Mix	(2,852,268)	
Bad Debt/Free Care	690,030	
Changes in DSH	477,574	
Other (FPP)	(105,566)	
Other (please label)	0	
FY 22 Actual Results	\$ 92,729,612	(.39%)



BMH's Expenses for FY2022 were higher than budgeted expenses by \$8 million or 8.2%.

- Salaries and Benefits were under budget by \$1.185 million as a result of the shortages in the labor market.
- Fringe Benefits were over budget by \$1.0M. BMH has a self-funded health plan with claims higher than anticipated
- Contract Staffing over budget by \$4.16M due to shortages in labor market and staffing time off caused by COVID variant.
- Medical/Surgical supplies are over budget due to increased volume of joint replacement surgeries and overall cost of supplies.
- Drug expenses are over budget due to increased volumes in the Oncology and overall cost of drug increase
- Depreciation and Interest are under budget as COVID-19 had delayed the completion of a major capital project by more than a year.
- Health Care Provider Tax was budgeted with the information known at the time. The decrease in net revenues for FY2020 contributed to the actual tax being reduced.
- Other Supplies/Contract Services had a significant increase related to COVID-19 testing with outside labs, COVID testing supplies, Facility repair needs and utilities.

Expenses	Amount	% over/under
FY 22 Approved Budget	\$ 96,860,486	
Salaries	(1,185,522)	-2.6%
Fringe Benefits	1,030,509	9.0%
Physician Contracts	754,306	13.36%
Contract Staffing	4,160,825	2080.41%
Medical/Surgical Supplies	1,439,176	49.94%
Drugs	706,884	13.75%
Other Supplies & Expenses	934,909	12.66%
Depreciation	(277,674)	-6.54%
Interest	(361,501)	-76.6%
Health Care Provider Tax	(129,075)	-2.3%
Other (Contracted Services)	844,217	9.8%
FY 22 Actual Results	\$ 104,777,540	8.2%

Period 4 Provider Relief/Stimulus funding of \$3.9M recognized in FY22

Non-operating revenue has a significant negative variance of \$4.6 due to poor market performance

Sincerely,

Jennifer Griffey, CFO